

NEW INSURANCE SCANDAL DEVELOPED IN NEW YORK

Chief Examiner Charges Mutual Reserve Life With Concealing Judgments Against Itself, an Exaggeration of Its Surplus by \$300,000, and a Fixed Policy of Delay in Settling Claims—Unpaid Death Claims Are Reported Wrongly — Insurance Amounting to \$1,923,000 Finally Yields Beneficiaries \$906,556.

SINKING FUND IS \$14,948. INSTEAD OF \$165,000.

■ **REVERSAL OF CHARGE** ■
 ■ **AGAINST MUTUAL RESERVE** ■
 State Insurance Examiner Van-
 derpool of New York reports to Su-
 perintendent of Insurance Hen-
 ■ **\$33,215** ■ The examination just com-
 pleted discloses that the \$165,000
 ■ **BENEFITS ARE DECREASED** ■
 The report shows in detail how insur-
 ance amounting at only \$12,000 to \$22,
 600.75, actually yielded the beneficiaries \$38,

Life Insurance Company has concealed judgments against the company, that it has exaggerated its assets, that it has violated the policy of delaying payment of claims, that it has abandoned the sinking fund suggested by the Insurance Company, and that the sinking fund is smaller than reported and that the published figures on

Albany, N. Y., July 2.—Concurrence of judgments against the company amounting to \$182,750, exaggration of its surplus by \$1,000,000 and a fixed policy of delay in settling claims, were the chief reasons advanced against the Mutual Reserve Life Insurance Company by Chief Examiner Isaac

Examiner Vanderpool in his report submitted to the U.S. House of Representatives on Monday, June 10, 1963, said that the Hondufricks, and today made public by him. The examination was begun last December and covers a period back to 1958 and forward to the present. He said that New York City and claim assets of between \$5,000,000 and \$50,000,000.

Examiner Vanderpool says that the management of the Hondufricks made no mention of these judgments in the item of liability.

payment is to be made. The average period elapsed between the filing of the claim and the payment of the claim was 10 months. The investigation, until lately, found to be valid claims. It is so long as to properly subject the companies to the severest criticism in its treatment of the claims. Many many whom must be subjected to no little suffering and distress by this seemingly reasonable procrastination on the part of the Hondufricks.

"I am constrained to believe that the return of this item, after the manner stated, and the manner in which it has been received in evidence, and certainly constituted a

MORE DISCREPANCIES. "Further variations, in addition to those appearing in credit assets and policy reserve, as between the figures published in the company's last annual statement and those appearing in the 1964 statement, are produced in the item of unpaid death claims. This item is charged to mortality accounts and is subject to adjustment. In the latter account, reduces the sinking fund to \$149,876 instead of \$165,000, the amount which now represents it, under the second account, increases the figure to \$165,000, the figure reported by the appraiser of the insurance department.

The report alleges that commissions paid by the Mutual Reserve fund for account of the company's business with the Northern Life Assurance Company of Chicago

The company's last annual statement, released last year, "predicts a small surplus of unassigned funds amounting to \$28,794.31. As the result of a full examination, the amount is shown to be \$21,129.20."

ON LONG ISLAND

Residents to Make Auburndale the One Place Where Stage Folk Dictate the Policy of Government.

NEW PUBLIC SPENTIAL.
July 25.—The actors are to have a colony of their own—in line with the artists and others who are forming "Society 29." They will not be called "The Actors' Colony," but will be the "Sav. Aut. and Long Island" territory selected. The actors are expected to be given a plot of seventy, under the title of the "Producers' Colony."

lative Association, Auburnville, La., with Lester R. Franklin at the head, own one-third of the 100 lots which make up the town of Auburnville, and their object is to make it "the one place where actors can find a way of government."

The town is to be managed by the profession. Although a claim is to be established for the manufacture of cement

utive officers of the Eastern railroads for the purpose of settling the passenger rate war. Vice President Wood of the Pennsylvania Railroad is president of all of the Eastern roads, and the replies received by him have been favorable to the conference. Pending the proposed conference, orders are issued that no further reductions be made in rates over the Pennsylvania lines.

Harriman Quits D. & R. G. Directory.
New York, July 27.—Information was received here to-day that E. H. Harriman has resigned from the directory of the Denver and Rio Grande Railroad.

This will furnish temporary accommodations to members and their friends who are in the colony. Auburnville is not to be simply a place of refuge.

The property owners include George C. Smith, president of the Panama Stock Company; Frederick Watson of the new Park Hotel; Joseph R. Buffum; William H. Conley of Pan-Am; John J. Loring; Johnstone B. Johnson; James M. McLaughlin; and Mrs. Patrick Campbell. Modified by The Associated Press.

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this steamer sailed from Bayonne Saturday, the statement cannot be confirmed.

Captain William H. Williams, of the tugboat, Adolph Leestma, told Allen Lawrence Russell, "The Factory Girl," and others:

MISS WHEELER A BRIDE.
 General's Daughter Weds Mr.

William J. Harris of Georgia.
CURLE'S SPECIAL
 New York, July 27.—In St. Thomas's church this evening, Miss Julia Knox Reeder, a daughter of General Joseph Reeder of Alabama, was married to Mr. Wm. Julius Harris of Georgia. It was a very pretty though quiet wedding. Grouped about the chancel were tall

The bride entered the church and was taken away by her father. She wore a gown of white tulle, with a train of satin and a tulle veil, fastened with cluster of orange blossoms. Her ornaments were pearls and she carried a bouquet of lilies of the valley.

The attendants of the bride were her two sisters, the Misses Anne, Lucy and

Wife of the retired Dr. J. M. Stiles, who died at the ceremony. The guests of the attendants were of white and colored people, many of the former being of a bourgeois type.

Doctor Sule Harris of Georgia was his father's best man. The others were the Sule brothers, John, Charles, Wheeler and Mr. William J. Harris. Dr. Harris and Mrs. Harris will take a brief trip

charges abandonment. Mrs. Fisher is a widow, and her husband, who has been prominent in the social life of Baltimore, but her husband calls little for society. As a young matron she was considerably the belle of the ballroom in Baltimore, and she has always been attractive and clever.

At one time she conducted a fashionable house, and was the center of prominent Baltimore families and for a number of

Vicious Dog Attacks Woman.
Mrs. Elizabeth Lucas of No. 286 Thomas

HEAT CENTRAL LINE—
ZIMMERMAN GROUP NAME.
The street was attacked by a vicious dog yesterday morning, which was shot by a man at Gamble Park. The dog buried its teeth in the woman's left leg. The injury is not thought to be serious. She was treated at her home.

Arrested at the Station.
Arthur Barrowsky, also known as Braun, was arrested at Union Station last evening.

[illegible]

Mr. Zimmerman said that his companies were moving more soft coal than last year, despite the unfavorable soft-coal conditions. Mr. Zimmerman said that

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**All druggists take Want
Ads for The Republic.**